

## **REMARKS**

Applicants reply to the Advisory Action dated October 26, 2010 after filing a request for continued examination. Claims 1, 3-8 and 10-11 were pending in the application and the Examiner rejects claims 1, 3-8 and 10-11. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter is entered with these amendments. Applicant respectfully requests reconsideration of this application.

**Importantly, Applicants respectfully submit that similar claims have been allowed in U.S. Application Serial Nos. 10,709,701 (U.S. Patent No. 7,752,102), 10/709,702, and 10/709/703 (U.S. Patent No. 7,797,208). Each of these three patent applications were examined by a different examiner and, in each case, the respective examiner considered Wolfberg (U.S. Patent No. 5,745,706) and allowed claims over Wolfberg. Namely, the allowed claims contain the following features (emphasis added) which are patently distinct from Wolfberg,**

**determining, by said computer-based system and in response to said transferring said savings amount, a payment hierarchy based upon said savings amount, said plurality of penalties and at least one of: said payment information, said user savings goal information and said user income information, wherein said payment hierarchy minimizes said plurality of penalties and includes a payment priority, a payment amount and a payment timing ....**

## **Official Notice**

The Examiner states that, since the Applicant did not address the Official Notice, Applicants therefore accepted the Official Notice as proper. Applicants respectfully disagree and continue to traverse the Official Notice.

As an initial matter, Applicants submit that no Official Notice taken in any of the Office Actions has been proper because “[i]t is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based. *Zurko*, 258 F.3d at 1385, 59 USPQ2d at 1697 (‘[T]he Board cannot simply reach conclusions based on its own understanding or experience-or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to some concrete evidence in the record in support of these findings.’).” MPEP 2144.03.

In Applicants' July 16, 2010 reply to the Non-final Office Action of April 26, 2010, Applicants listed the rejections based upon Official Notice and stated, "Applicant respectfully disagrees with these rejections, but Applicant presents claim amendments in order to clarify the patentable aspects of the claims and to expedite prosecution." Applicants continued by providing extensive remarks addressing why the claims would not be obvious to one of skill in the art. "[A]n applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art." *Id.* Applicants fulfilled the requirements of the M.P.E.P. by (1) quoting the Examiner's statements of Official Notice and disagreeing with them, and (2) stating why the noticed fact is not considered to be common knowledge or well-known in the art.

Regarding the first element, in Applicants' July 26, 2010 submission, Applicants quoted all of the Official Notice rejections, specifically disagreed with the rejections and stated that claim amendments are presented only to expedite prosecution. Regarding the second element, Applicants clearly stated why the specific combination of elements in the claims is not obvious. The Examiner failed to take Official Notice of the combination of elements recited in the independent claims. Instead, the Examiner merely took Official Notice that general and broad functionality may exist. For example, the Examiner took Official Notice that "that one would analyze payments and their hierarchy to determine payments," however, the claim elements recite: "*analyzing, by said computer-based system, said user debt information to determine a plurality of outstanding debt payments; determining, by said computer-based system, a plurality of penalties by analyzing, for each of said plurality of outstanding debt payments, a penalty associated with at least one of a payment amount and a payment timing...*" The Official Notice is not applicable to the claim elements, but instead simply tries to reject the claim elements based upon a broad statement that is unsupported by any documentary evidence. Applicants' extensive remarks supporting the patently distinct elements of the recited claims make clear that "the facts asserted [by Official Notice] to be well known are not capable of instant and unquestionable demonstration as being well-known."

In the Final Office Action dated 9/27/2010, the Examiner rejected claims based upon Official Notice. However, in that Action, the Examiner did not take the prior art to be admitted or state that Applicants' traversal was inadequate. "If applicant does not traverse the examiner's

assertion of official notice or applicant's traverse is not adequate, the examiner **should clearly indicate in the next Office action** that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate.” (emphasis added) *Id.* In Applicants’ October 5, 2010 reply, **Applicants traversed the Official Notice**, stating that “the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known” and asked that the examiner provide “documentary evidence in the next Office action if the rejection is to be maintained.” *Id.*

Rejections under 35 U.S.C § 103

The Examiner states that the claims do not place the application in condition for allowance because, “The features claimed by the Applicant are taught by the references. Thus, Wolfberg teaches minimizing penalties.” Advisory Action, para. 11. Applicants traverse. Furthermore, the Examiner only cites concerns about Wolfberg in the Advisory Action, so Applicants only address the rejections based on Wolfberg in this Reply. In particular, the Examiner rejects claims 1, 3-6 and 10-11 under 35 U.S.C. § 103(a), as being unpatentable over Wolfberg, U.S. Patent No. 5,745,706 in view of King and in view of Wardin. The Examiner rejects claim 6 under 35 U.S.C. § 103(a), as being unpatentable over Wolfberg in view of King and in further view of Wardin and in further view of Hendrick, U.S. Publication No. 2005/0077348 (“Hendrick”). The Examiner rejects claim 7 under 35 U.S.C. § 103(a), as being unpatentable over Wolfberg in view of King and in further view of Wardin and in further view of U.S. Patent No. 6,010,239 (“Hardgrave”). The Examiner rejects claim 8 under 35 U.S.C. § 103(a), as being unpatentable over Wolfberg in view of King and in further view of Wardin and in further view of Foladare, U.S. Patent No. 5,914,472 (“Foladare”). Applicants traverse these rejections.

Wolfberg discloses a system for managing an investment and spending account, “so as to achieve selected guidelines for spending flexibility and investment returns.” Abstract. The Wolfberg system includes a monitoring program that can “review incoming transactions and monitor the effect of those transactions on each account.” Col. 8, lines 10-12, internal references omitted. **Significantly, Wolfberg fails to disclose determining a payment hierarchy that**

**minimizes a plurality of payment penalties.** Instead, Wolfberg discloses the monitoring program generates “a set of speeding flexibility signals, indicating whether monetary inflows are suggested or outflows are permitted within the spending flexibility guidelines and while still meeting the investment guidelines” and “indicating whether investment adjustments are suggested for meeting the investment guidelines.” Thus, if anything, there is only a vague suggestion of determining priorities in Wolfberg and it **does not teach (and is silent regarding) making a payment to savings despite investment and spending priorities and even if the payment to savings may cause other accounts to incur penalties, and determining the payment hierarchy after the payment to savings has been made.**

Furthermore, Wolfberg also does not teach determining a payment hierarchy that **minimizes payment penalties.** In fact, “penalty” (or combinations thereof) does not appear anywhere in the Wolfberg disclosure. “Fee” appears only once, “In alternative embodiments, the allocation program may be disposed to make periodic purchases or related payments, such as periodic purchases of life insurance, home mortgage insurance, homeowner insurance, automobile insurance, or other insurance; periodic payments of property taxes or other taxes or **government fees**; periodic payments for utilities, telephone services, or other services; periodic purchases of supplies or other goods or services; or periodic payments or purchases of other kinds.” Wolfberg, Col. 10, lines 3-11. Thus, although Wolfberg contemplates a long list of payments or purchases, it does not disclose or contemplate anything close to a late fee or penalty.

Wardin discloses a billing system that can determine a late fee or penalty. See Para. 0013. The Wardin system can also “adjust due dates on the fly and update a customer service center.” Para. 0009. The Wardin system can adjust the due date for billing statements based upon a formula, “for instance the due date can be set to be 30 days from the mailing of the billing statement” or “the due date may be adjusted based upon an amount owed or payment history of the customer. Para. 0009. Significantly, Wardin fails to disclose determining a payment hierarchy that **minimizes a plurality of payment penalties.** Instead, the Wardin system is limited to adjusting due dates for bills (i.e., invoices) being produced by the system.

King discloses a system that “facilitates the user in electronically ordering items from suppliers.” The King system includes private catalog functions that facilitate the procurement process by allowing “Customers to load, access and identify supplier products on their own local

computer systems...” (Col. 2, lines 43-45). Significantly, King **fails to disclose making a payment to savings regardless of debt obligations or minimizing penalties associated with debt obligations.**

Therefore, Wolfberg, Wardin, and King, neither alone nor in combination with each other, any cited reference, or with the Official Notice taken (even assuming it can be properly substantiated), fail to disclose or contemplate all of the following elements as recited in claim 1 (emphasis added) and as similarly recited in independent claims 10-11:

determining, by said computer-based system **and in response to said transferring said savings amount**, a payment hierarchy based upon said savings amount, said plurality of penalties and at least one of: said payment information, said user savings goal information and said user income information, **wherein said payment hierarchy minimizes said plurality of penalties and includes a payment priority, a payment amount and a payment timing;** and

Applicant therefore respectfully submits that independent claims 1 and 10-11 are allowable over the cited references.

Dependent claims 3-8 variously depend from independent claim 1, so dependent claims 3-8 are allowable over the cited references for the reasons set forth above, in addition to their own unique features, some of which are stated above.

In view of the above remarks, Applicant respectfully submits that all pending claims properly set forth that Applicant regard as his invention and are allowable over the cited references. Accordingly, Applicant respectfully requests allowance of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner’s convenience, if that would help further prosecution of the subject application. The Commissioner is authorized to charge any fees due to Deposit Account No. 19-2814.

Respectfully submitted,

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